



ESSEX FIRE AUTHORITY

Partnerships

FINAL

Internal Audit Report: 3.16/17

5 April 2017

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Draft report issued	10 February 2017		
Responses received	4 April 2017		
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1 EXECUTIVE SUMMARY

1.1 Background

An audit of Partnerships was undertaken at Essex Fire Authority (the Authority) to review how the Authority engages with appropriate partners to assist in the delivery of the strategic objectives. Essex Fire Authority defines a partnership as follows:

“A partnership is a professional relationship that brings together different groups or organisations, to work collaboratively on a project, initiative, work-stream either Essex-wide or in a specific area that meets the shared strategic aims of each organisation. Specifically, common objectives can be pursued, benefits maximised, risks reduced and relevant skills and resources used to best effect.”

At the time of the Audit, the Authority had a total of five partnerships for which Partnership Agreements were in place defining the objectives of the partnership along with performance management arrangements and a partnership risk rating:

- Thurrock Council (Well Homes Programme)
- A1 Salvage (Road Traffic Collision (RTC) training with End of Life Vehicles (ELV)
- B&P Wennington (RTC training with ELV);
- Benfleet Scrap Limited (RTC training with ELV); and
- Ford Motor Company (Supporting Road Traffic Collision Extrication Team).

These partnerships are recorded on a Partnership Register which is currently maintained by the Partnership Manager, and a Guide to Managing Partnerships is available to all staff.

Partnership reviews are undertaken on at least an annual basis whereby the Authority determines whether output and performance has been in line with the agreed objectives.

1.2 Conclusion

Overall, the Authority had a number of mechanisms in place to ensure that partnerships are agreed with objectives and performance management arrangements. Performance reviews are taking place to ensure the delivery of partnership targets. We noted some weaknesses in both the design of controls and compliance with the current framework in place, which resulted in actions being agreed to strengthen these area. These issues have been detailed in section 1.3 below.

Internal Audit Opinion:

Taking account of the issues identified, the Authority can take reasonable assurance that the controls in place to manage this area are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified area(s).



1.3 Key findings

The key findings from this review are as follows:

A Guide to Managing Partnerships is in place to assist the Authority, officers and external bodies who are involved in partnerships or are considering entering into a partnership. We confirmed through review that the guide included a clear definition of partnerships and was available to all staff on the intranet.

During our testing of all current Authority partnerships, we confirmed that Partnership Agreements were in place for all partners and that these detailed how the partnership linked to the Authority's strategic priorities. Moreover, we confirmed that the objectives of the partnerships had been clearly set out in all cases.

Within the Partnership Agreement template, the Authority had detailed a risk assessment framework to determine the level of risk associated with its partnerships. During our testing, it was confirmed that risk assessments were completed for all partnerships, although we found that partnership risk was not included on departmental risk registers for on-going review.

In addition, we found the following issues, resulting in four '**Medium**' priority management actions:

Through discussion with the Partnerships Manager, we identified that there was a partnership arrangement between Ford and the Authority which had commenced in 2012, however, a Partnership Agreement had not been completed at the time, and the Partnership Manager had not been informed of the agreement to include it on the Partnership Register. In the absence of a formal agreement with an agreed set of objectives for the partnership, this may result in the Authority not effectively reviewing performance and therefore, the full benefit may not be derived from the arrangement. **(Medium)**

During our testing of Partnership Agreements, we noted that the performance management arrangements detailed in the agreements varied in quality, for instance, the Ford Motor Company Agreement only included 'Success of Team' as a measure of impact in relation to the partnership. We also reviewed whether evidence had been retained in relation to performance reviews which had been undertaken and we found that there was no consistent approach being utilised for this. Without robust performance review arrangements in place, the attainment of targets may not be subject to appropriate review, thereby resulting in objectives not being fulfilled. **(Medium)**

Through discussion with the Partnerships Manager, we were advised that there was no formal approach to identifying new potential partnerships. We acknowledged that inspiration for new partnerships will not necessarily come from setting aside specific time to consider new ideas. However, without purposely considering new partnerships, the Authority could potentially be failing to consider wider arrangements where strategic benefits could be derived from partnership working. **(Medium)**

We were advised by the Partnerships Manager that an annual overarching review of all partnerships is not carried out. Without a collective review, the Authority could potentially fail to identify savings in resources where partnerships are either of lower importance and require less input or should be exited, or where partnerships could potentially be merged or expanded. **(Medium)**

In addition we have agreed five 'low' priority actions with management. Details of our findings and the agreed actions can be found in sections 2 and 3 of this report.

1.4 Additional information to support our conclusion

Area	Control design*	Compliance with controls*	Agreed actions		
			Low	Medium	High
Partnerships	7 (8)	2 (8)	5	4	0
Total			5	4	0

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

1.5 Additional feedback

We have also identified innovation or good practice at similar organisations that the Authority may wish to consider:

Good practice for further consideration

To reduce the resources required for reviewing the effectiveness of partnerships, thematic reviews could be conducted for a collection of similar partnerships.

2 ACTION PLAN

Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The table below sets out the actions agreed by management to address the findings:

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
Area: Partnerships					
1.1	A review of the Guide to Managing Partnerships had not been undertaken since 2013. Moreover, the Guide did not encompass the process for notifying the Partnerships Manager when there is the termination of a partnership agreement.	Low	The Guide to Managing Partnership will be reviewed and updated to take into account the findings of this report, including: <ul style="list-style-type: none"> The requirement for the Guide to be reviewed annually; and The process for notifying the Partnerships Manager where a partnership agreement is terminated. 	28 February 2017	Andrea MacAlister – Partnerships Manager
1.2	We identified a partnership that had been in place since 2012, however we found that it was had not been supported by a formal Partnership Agreement until January 2017.	Medium	The Authority will ensure signed Partnership Agreements are in place at the commencement of all partnerships. Senior Managers will remind relevant staff of the need to draw up partnership agreements.	31 March 2017	Senior Leadership Team (SLT)
1.3	Our review of five Partnership Agreements found that one had not been signed by the partner, and one had not	Low	The Authority will ensure that all Partnership Agreements are signed and dated by partners.	31 March 2017	Andrea MacAlister – Partnerships Manager

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
	been dated by the partner.				
1.4	<p>We noted a varied level of quality with respect to performance management arrangements detailed within agreements.</p> <p>We also noted that an inconsistent approach was being undertaken when reviewing the performance of agreements.</p>	Medium	<p>Partnership Managers will ensure that Partnership Agreements have sufficiently detailed performance review arrangements to enable effective monitoring of the partnership. This will include the stipulation of a performance review frequency.</p> <p>A consistent approach will also be adopted in relation to documenting outputs from performance reviews. A performance review template will be used which captures details such as:</p> <ul style="list-style-type: none"> • Whether partnership objectives are on target to be met; • If the partner is consistently providing the required performance information; and • Whether any actions are required to address shortcomings in the arrangement. 	31 March 2017	Andrea MacAlister – Partnerships Manager
1.5.1	<p>We noted that there was ambiguity in the 'experience' risk factor in terms of what constitutes experience when referring to partnerships.</p> <p>In terms of due diligence for non-public sector partners, we noted that this had not been included in the partnership agreement template.</p>	Low	<p>The 'experience' risk factor in the risk framework of the Partnership Agreement template will be revised to include more clarity as to what constitutes experience in the context of partnerships.</p> <p>Furthermore, the risk framework will also include guidance on due diligence that should be undertaken.</p>	31 March 2017	Andrea MacAlister – Partnerships Manager / Department Heads (for risk register element)
1.5.2	We found that partnership risk had not been included on departmental risk	Low	Partnership risk, where appropriate, will be included on the relevant Authority area risk registers to ensure that this risk is	31 March 2017	Andrea MacAlister – Partnerships Manager /

Ref	Findings summary	Priority	Actions for management	Implementation date	Responsible owner
	registers.		subject to ongoing monitoring.		Department Heads (for risk register element)
1.6	<p>The review frequency for fixed term partnership agreements was not detailed within the Partnership Agreement template.</p> <p>We also found that a pilot partnership agreement had ended in December 2015, however it had not been subject to review until February 2016.</p>	Low	<p>The Partnership Agreement template will be updated to require a partnership effectiveness review frequency to be detailed for all types of agreements.</p> <p>In addition, the completion of partnership reviews will be monitored through the Partnership Register and escalated accordingly to ensure timely completion of reviews.</p>	31 March 2017	Andrea MacAlister – Partnerships Manager
1.7	The Authority did not have a formal approach to identifying whether there are any emerging partnerships the Authority should explore.	Medium	A review will be undertaken periodically to determine whether there are any potential emerging partnerships the Authority should explore to ensure partnerships are identified, follow the standard procedures, and benefits are identified and realised.	30 April 2017	Senior Leadership Team
1.8	The Authority did not have an overarching review process for partnerships to be collectively considered in terms of their effectiveness by Senior Management or the Authority.	Medium	An annual overarching review of partnerships will be performed by the Authority and presented to the Authority to determine the success of partnerships. This will include a link to costs and benefits realisation.	30 April 2017	Andrea MacAlister – Partnerships Manager

3 DETAILED FINDINGS

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
Area: Partnerships						
1.1	<p>The Authority has produced a Guide to Managing Partnerships to assist members, officers and external bodies who are involved in partnerships or are considering entering into a partnership.</p> <p>The guide includes a definition of partnerships and advises the principles of partnerships, national, regional and local considerations as well as governance arrangements to ensure that the maximum benefit is gained from partnership working.</p> <p>The guide, however, does not detail a review frequency or the process for notifying a responsible officer where a partnership agreement is terminated.</p> <p>The guide and associated partnership templates are available to all staff via the intranet.</p>	No	N/A	<p>Through review of the Guide to Managing Partnerships, we found that it was last reviewed in December 2013. Without regular review, this could result in the Guide not remaining reflective of current practice. This was evident from the fact that the guide referred to the Strategic Development Board (SDB) which no longer exists.</p> <p>Although the guide covered key areas for governing partnerships, we noted that it did not capture the need for the Partnerships Manager to be notified of partnerships which have ended. This could result in the Partnership Register not being kept up to date and the Authority not remaining fully aware of their current partnerships.</p> <p>We confirmed through review that the guide, along with the templates for the partnership agreement and partnership review, have been made available to all staff on the intranet.</p>	Low	<p>The Guide to Managing Partnership will be reviewed and updated to take into account the findings of this report, including::</p> <ul style="list-style-type: none"> • The requirement for the Guide to be reviewed annually; and • The process for notifying the Partnerships Manager where a partnership agreement is terminated.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
1.2	<p>The Authority has established a Partnership Register to record key details of their partnerships. This includes:</p> <ul style="list-style-type: none"> Partnership title and participating organisation; Purpose; Date agreed and date reviewed; Risk rating; Lead Contact and Manager; Additional Information; and Agreement Type. <p>There is no column, however, to capture the next review date of the partnership.</p>	No	N/A	<p>Through review of the Partnership Register, we found that the format enabled it to capture key details relating to the Authority's partnerships.</p> <p>We found however, that a column to capture the next review date of the partnership had not been included. Although there was a 'Date Reviewed' column, in one instance, this detailed when the agreement had been last reviewed, whereas for the remaining agreements, a future review date had been stated.</p> <p>Without separate columns to identify a last reviewed and next review date for partnerships, this may result in partnerships not being evaluated in a timely manner to ensure they are operating in line with the Authority's objectives.</p> <p>Through discussion with the Partnerships Manager, we identified that there was a partnership arrangement between Ford Motor Company and the Authority which had commenced in 2012, however, a Partnership Agreement was not been completed until January 2017, and the Partnership Manager had not been informed of the agreement to include it on the Partnership Register.</p> <p>In the absence of a formal agreement with an agreed set of objectives, this may result in the Authority not effectively reviewing performance and therefore, the full benefit may not be gained from the arrangement, or resources may be put into a partnership which is not required by or of benefit to the Authority.</p>	<p>Suggestion</p> <p>Medium</p>	<p>The Partnership Register will be updated to include a column to capture the next review date for each agreement.</p> <p>The Authority will ensure signed Partnership Agreements are in place at the commencement of all partnerships.</p> <p>Senior Managers will remind relevant staff of the need to draw up partnership agreements.</p>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
1.3	<p>Each partnership is to be supported by a Partnership Agreement which is to be agreed by a sponsor from each organisation.</p> <p>Within section 4 of the Partnership Agreement, the Authority defines how the partnership is aligned with its strategic priorities.</p> <p>Moreover, the objectives of the partnership are to be detailed within section 5.</p>	Yes	No	<p>We obtained the Partnership Agreements for the Authority's five formal partnerships:</p> <ul style="list-style-type: none"> Thurrock Council (Well Homes Programme) A1 Salvage (Road Traffic Collision (RTC) training with End of Life Vehicles (ELV) B&P Wennington (RTC training with ELV); Benfleet Scrap Limited (RTC training with ELV); and Ford Motor Company (Supporting Road Traffic Collision Extrication Team). <p>We confirmed through review that all agreements relating to RTC training with ELV had been signed by both the Authority and the Partner, although in one instance, the date of signing had not been detailed (B&P Wennington). We also confirmed that the Well Homes agreement had been signed and dated by both the Authority and Thurrock Council.</p> <p>For the remaining agreement, a signature had not been obtained from the partner (Ford Motor Company).</p> <p>Without such endorsement from partners, this may result in the full potential of the partnership not being achieved, or a disparity existing in the objectives and intentions of the arrangement.</p> <p>For all the agreements reviewed, we confirmed that they detailed how the partnership linked to the Authority's strategic priorities.</p> <p>Moreover, we confirmed that the objectives of the partnerships had been clearly set out in all cases, albeit the Ford partnership only recently when the arrangements had been finalised. .</p>	Low	The Authority will ensure that all Partnership Agreements are signed and dated by partners.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
1.4	<p>Within each Partnership Agreement, section 11 includes the performance management arrangements in place for the partnership.</p> <p>This includes:</p> <ul style="list-style-type: none"> How the impact of the partnership will be measured; and Who will collect the performance data, produce performance reports and how often. <p>There is, however, no consistent approach to carrying out performance reviews.</p>	No	N/A	<p>We confirmed through review of the partnership agreements that the performance management sections of the agreements had been completed in all instances.</p> <p>We noted, however, that these varied in quality. For instance, the Ford Motor Company Agreement only included 'Success of Team' as a measure of impact in relation to the partnership.</p> <p>In other cases, we noted a lack of clarity, for example, in the ELV agreements, it was stated that the Operational Training Officer (or a delegate) would produce performance reports in relation to the partnership, however it was not stated how often.</p> <p>Another example of this is where the agreement stated that partnership meetings with key stakeholders would be held to measure the impact of the partnership, however the regularity of this had not been stated.</p> <p>We sought to confirm whether evidence had been retained of performance reviews being undertaken and found the following:</p> <p><u>Well Homes</u></p> <p>Although some evidence was provided, for instance, performance data relating to the partnership, and an example of a meeting with the partner, there was no consistent approach to this (we were only provided with meeting evidence for the last quarterly review, but not for the previous quarter).</p> <p>We also found that one objective was not included in the performance information for review with the partner:</p>	Medium	<p>Partnership Managers will ensure that Partnership Agreements have sufficiently detailed performance review arrangements to enable effective monitoring of the partnership. This will include the stipulation of a performance review frequency.</p> <p>A consistent approach will also be adopted in relation to documenting outputs from performance reviews. A performance review template will be used which captures details such as:</p> <ul style="list-style-type: none"> Whether partnership objectives are on target to be met; If the partner is consistently providing the required performance information; and Whether any actions are required to address shortcomings in the arrangement.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
				<p>"Proportion of residents who said that the Well Homes project had made them feel that their home was a healthier and safer place to live: Target: 80%".</p> <p><u>Road Traffic Collision (RTC) training with End of Life Vehicles (ELV)</u></p> <p>We were advised by the Operational Training Officer that although performance review is carried out, this is done verbally and therefore, there were no documented outputs of the performance reviews.</p> <p><u>Ford Motor Company</u></p> <p>We found through review that there was no Partnership Agreement in place until January 2017 (despite the partnership commencing in 2012) and that the agreement did not detail sufficient performance management arrangements. Management actions in relation to this have been raised in section 1.2 and 1.4 above.</p> <p>Without robust performance review arrangements in place, the attainment of targets may not be subject to appropriate review, thereby resulting in objectives not being fulfilled.</p>		
1.5	<p>Within the Management Agreement template, there is a framework to identify a risk rating for each partnership.</p> <p>The framework details various risk factors along with a criteria for identifying the impact (on a scale to 1-5). The risk factors are as</p>	No	N/A	<p>Through evaluation of the previously reviewed five partnership agreements, we found that risk assessments had been completed for all partners.</p> <p>In terms of the risk assessment for the Well Homes partnership, we noted that the sum of the risk ratings was 10, however the total risk rating had been stated as nine.</p>	Low	<p>The 'experience' risk factor in the risk framework of the Partnership Agreement template will be revised to include more clarity as to what constitutes experience in the context of partnerships.</p> <p>Furthermore, the risk framework will also include guidance on due</p>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
	<p>follows:</p> <ul style="list-style-type: none"> Financial; Experience; Priority; and Track record with Fire & Rescue Service. <p>The total risk score is then calculated and the partnership is categorised into:</p> <ul style="list-style-type: none"> Low risk (score between 1 to 6); Medium risk (score between 7 to 13); and High risk (score between 14+). <p>The 'experience' risk factor, however, is not sufficiently detailed to advise an informed risk rating.</p> <p>Moreover, the agreement template did not fully consider due diligence on potential private partners and their continued going concern.</p>			<p>We regard this as a minor discrepancy and the partnership would have still been in the 'Medium' risk range of 7-13. As such, no management action has been raised in relation to this, but management have been made aware.</p> <p>On further review of the Well Homes agreement, we found that a risk score of 5 was given for the experience factor, which indicates the partnership organisation is new to the market (established for less than one year), however, the track record with the Fire & Rescue Authority factor was given a risk score of 1, this indicates an established partnership (3 years plus) with good track record.</p> <p>We were advised by the Partnership Manager that this was due to the fact that the nature of the partnership, and the work it aimed to do, was innovative and therefore new to market.</p> <p>The 'experience' risk factor therefore required a revised wording to reflect that it refers to experience relating to the work the partnership sets out to do.</p> <p>Without this, confusion may be caused and an inappropriate risk rating may be concluded for the partnership.</p> <p>We sought to confirm whether partnership risk had been included in the Authority area risk registers for ongoing review.</p> <p>We noted that the risk registers for Community Safety (for the Well Homes agreement) and Learning & Development (for the Ford Motor Company and RTC</p>	Low	<p>diligence that should be undertaken.</p> <p>Partnership risk, where appropriate, will be included on the relevant Authority area risk registers to ensure that this risk is subject to ongoing monitoring.</p>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
				<p>training with ELV agreements) had not been considered for consideration in the departmental risk registers.</p> <p>Although a risk rating is provided at the beginning of each agreement, this is a static score and does not take into account future and on-going changes in factors that affect risk. This could result in risks not being appropriately managed.</p> <p>We also noted that the Management Agreement template did not fully consider due diligence on potential private partners and their continued going concern.</p> <p>If this is not conducted, this could result in a failure of the partnership, which could have financial and reputational implications for the Authority.</p>		
1.6	<p>The Guide to Managing Partnerships states that the effectiveness of the partnership is to be monitored and evaluated at least annually.</p> <p>A Partnership Review template has been developed by the Authority for this purpose.</p> <p>The Partnership Review Template requires users to provide:</p> <ul style="list-style-type: none"> • An overview; • A performance review considering output and performance against targets; 	No	N/A	<p>Through review of the Partnership Agreement template, we found that a section had been included for an effectiveness review frequency to be stated, however, we noted that this was only required for continuous partnerships, and not for fixed term partnerships.</p> <p>Without regular partnership reviews to determine whether arrangements have been successful or whether they continue to address areas of strategic importance, the Authority could be fail to achieve partnership objectives.</p> <p>In terms of our previously reviewed sample of five agreements, we noted that the Ford Motor Company and the RTC training with ELV agreements required annual review, however as the Partnership Agreements had not been in place for 12 months, reviews had not been</p>	Low	<p>The Partnership Agreement template will be updated to require a partnership effectiveness review frequency for all types of agreements.</p> <p>In addition, the completion of partnership reviews will be monitored through the Partnership Register and escalated accordingly to ensure timely completion of reviews.</p>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
	<p>and</p> <ul style="list-style-type: none"> A description of how the partnership adds value and whether value for money is being achieved. <p>The final section of the review is where the relevant manager is asked:</p> <ul style="list-style-type: none"> If the activity still constitutes a partnership; Given the status of the review, if partnership should be continued; and Whether the governance arrangements for the partnership are adequate. <p>In terms of the Partnership Agreement template, this only requires a review frequency to be stated for continuous agreements and not for fixed term agreements (in the expected duration section).</p>			<p>undertaken.</p> <p>For the remaining Well Homes agreement, we noted that the agreement commenced in September 2015 for a pilot period of four months until 31st December 2015.</p> <p>Although we confirmed that a partnership review had been undertaken with the conclusion to continue the partnership beyond the pilot period, we found that this had not been carried out until February 2016. Without prompt review, arrangements that are not in line with targets and objectives may not be terminated, potentially affecting Authority resources.</p>		
1.7	The Authority does not have a formal approach to regularly consider potential new partnerships that can be embarked upon to assist the Authority in the achievement of its strategic objectives.	No	N/A	<p>Through discussion with the Partnerships Manager, we were advised that although there was no formal approach to identifying new potential partnerships, various meetings are held, both internally and externally, whereby aspects of partnership working are discussed, such as:</p> <ul style="list-style-type: none"> Safer Essex Road Partnership; Safeguarding Boards; and District Crime and Disorder Reduction Partnerships. 	Medium	A review will be undertaken periodically to determine whether there are any potential emerging partnerships the Authority should explore to ensure partnerships are identified, follow the standard procedures, and benefits are identified and realised.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no / N/A)	Audit findings and implications	Priority	Actions for management
	There are, however, various department specific avenues to give consideration to this, such as meetings where partnerships are discussed.			We acknowledged that inspiration for new partnerships will not necessarily come from setting aside a specific set time to consider new ideas. However, without purposely considering new partnerships, the Authority could potentially be failing to consider wider arrangements where strategic benefits could be derived from partnership working.		
1.8	The governance arrangements for partnership working do not define any overarching annual review process for partnerships to be collectively considered in terms of their effectiveness by Senior Management or the Authority.	No	N/A	<p>We were advised by the Partnerships Manager that an annual overarching review of the partnerships is not carried out.</p> <p>Without a collective review, the Authority and Authority could potentially fail to identify savings in resources where partnerships are either of lower importance and require less input or should be exited, or where partnerships could potentially be merged.</p> <p>Also, without this overarching review process the Authority and Authority may also fail to identify gaps where new partnership arrangements could be explored to assist in the delivery of strategic objectives.</p>	Medium	An annual overarching review of partnerships will be performed by the Authority and presented to the Authority to determine the success of partnerships. This will include a link to costs and benefits realisation.

APPENDIX A: SCOPE

Scope of the review

To evaluate the adequacy of risk management and control within the system and the extent to which controls have been applied, with a view to providing an opinion. The scope was planned to provide assurance on the controls and mitigations in place relating to the following areas:

Objective of the area under review

To ensure the Authority engages with appropriate partners to assist in the delivery of the strategic objectives.

When planning the audit, the following areas for consideration and limitations were agreed:

Areas for consideration:

This review will consider the Authority's partnership arrangements to ensure that the Authority adequately identifies and manages the partnerships they are engaged in. We will consider how the Authority:

- Defines partnerships; and whether any guidance documentation is available to employees on this matter.
- Is aware of what partnerships they are involved in, what should be achieved from the partnerships and whether the Authority has an overarching Partnership Register or similar which is maintained to capture these details.
- Whether there is a consistent approach for reviewing the performance of partnerships in terms of delivery of Critical Success Factors.
- Whether there is an appropriate risk assessment of partnerships; through initial engagement and on-going through the use of dedicated or Authority area risk registers.
- Determines whether partnerships continue to contribute towards current strategic objectives and ensure that the impact and outcome of partnerships are clearly documented;
- Identifies new potential partnerships with other organisations in the community where the Authority may be able derive benefits from (e.g. savings, skills sharing or reduce the impact on staff resources); and
- Whether any overarching reports of Partnerships are provided to the Authority to provide a self-assessment of the effectiveness of their arrangements.

A number of the above areas for consideration will be tested through sample testing of a number of existing partnerships.

Limitations to the scope of the audit assignment:

- We did not provide an opinion on whether each partnership is being managed effectively.
- We did not provide an opinion as to the value or benefits of each partnership.
- We did not comment on if the Authority should remain in the partnership.
- This audit focused on the information presented to us at the time of the review and does not identify if additional relevant information exists.
- The scope of the work was limited to those areas examined and reported upon in the areas for consideration in the context of the objectives set out in for this review. It should not, therefore, be considered as a comprehensive review of all aspects of non-compliance that may exist now or in the future.
- Any testing undertaken as part of this audit was compliance based and sample testing of key partnerships.

APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Andrea MacAlister - Partnerships Manager
- Lee Markwick – Community Builder
- Kevin Mitson - Service Training Centre Manager

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